

Guide to Chinese workplace laws and regulations

Contents

Chinese workplace laws and regulations	3
1. Employment is freely chosen	4
2. Freedom of association and the right to collective bargaining	4
3. Health and Safety	5
4. Age of workers	6
5. Wages and benefits	6
6. Working hours	7
7. Discrimination	8
8. Contract of employment	8
9. Disciplinary	9
10. Supply Chain management	9
11. Environmental management	9
Appendix	10
Laws used for reference	11
Contacts	13

Chinese workplace laws and regulations



Chinese workplace laws and regulations

1. Employment is freely chosen

- Forced labour or requiring employees to provide a guaranty or collect property are prohibited by law.
- Employers are not allowed to take deposits from workers.
- Employees are free to terminate employment contract after reasonable notification.
- Overtime work should be voluntary.

2. Freedom of association and the right to collective bargaining

- Employees have the right to form and join a trade union according to law, if they so wish and no organisations or individuals may obstruct or restrict them.
- All trade unions must be part of the All-China Federation of Trade Unions (ACFTU).
- Trade unions shall safeguard the legitimate rights and interests of workers and staff members. They shall organise workers and staff to participate in democratic decision-making, democratic management, and democratic supervision of their respective work units, in accordance with the law.
- A basic-level trade union committee should be set up in an enterprise with a membership of 25 or more.
- Trade union committees should be democratically elected. No close relatives of the chief members of an enterprise can be candidates for members of the basic-level trade union committee of the enterprise.
- Trade union members should not be discriminated against. No trade union chairperson or deputy chairperson may be dismissed without the approval of more than half of the members of the general assembly or representative assembly.
- Where women employees are relatively large in number, a trade union committee for female workers may be set up. Where women are relatively small in numbers, there should be a dedicated member sitting on the trade union committee specifically in charge of the female workers.
- Trade union organisations at higher levels (e.g. local trade union federations and national or local industrial trade unions) may assist and guide workers and staff at enterprises to set up their trade unions. These efforts may not be obstructed by any units or individuals.
- If a work-stoppage occurs, the trade union shall on behalf of the workers and staff, hold consultations with the enterprise, presenting the opinions and demands of the workers and staff, and putting forward proposals for solutions. The enterprise shall try to satisfy the reasonable demands made by workers and staff.
- The law outlines penalties for transgressions of the Union law including: obstructing the formation of unions, revenge attacks or bullying of union official or their unfair dismissal; obstructing investigations into industrial accidents or refusing to negotiate with unions.
- Employers must make a % contribution of their wages towards union funds.
- Employers' policies and rules "that have a direct bearing on the immediate

interest of workers” must be subject to consultation with all employees or an employee representative’s congress.

3. Health and Safety

Management and training

- The factory must have a health and safety management system.
- Workers must receive appropriate health and safety training including fire training, production safety, the correct use of protective equipment and first aid for workers exposed to danger. Workers should be retrained if there are any new techniques, materials or equipment introduced.
- A factory with more than 100 employees must establish a production safety committee or should appoint a full time Safety Officer. If there are less than 100 employees a part-time Safety Officer should be appointed.¹
- The employer must provide health care facilities for all employees and provide regular check-ups for workers in hazardous jobs.
- Pregnant women must not work with poisonous or harmful substances.
- Women who are pregnant or menstruating must not work in low temperatures or do heavy labour.
- The employer must pay employment injury insurance premiums according to the law.
- The main production site must ensure that any subcontracting units have suitable conditions for safe production. A special agreement with the contractor or leaseholder must be entered into, specifying the duties and functions of each party in the administration of production safety.
- Each worker’s contract of employment must list any possible occupational diseases associated with the job. If the employer does not do this, the worker is

entitled to refuse to perform hazardous tasks, and the employer cannot dismiss the worker on these grounds.

- Workers are allowed to stop work without penalty if the working conditions are unsafe. The factory must truthfully report any production safety accidents.

Fire precautions

- Factories must comply with the detailed regulations on fire precautions including the number of fire extinguishers, fire safety signs, fire exits, etc.
- Sufficient fire exits must be provided from all areas of the production site. These must be kept unlocked and clear of obstructions.
- Smoking must be strictly prohibited at work sites where inflammable and explosive substances are used.

Safe use of machinery and chemicals

- The employer must ensure that machinery and other equipment is safe.
- The employer must provide appropriate personal protective equipment (PPE) free of charge and must regularly check the equipment (appropriate PPE is specified in the Production personal protective equipment deployment standards 2000).
- Electrical equipment and wires must be safely insulated, equipped with safety fuses and regularly inspected and repaired.
- Clear safety warning signs should be displayed on relevant equipment.
- Equipment that produces harmful steam, gas or dust must be sealed tightly or sufficiently ventilated.
- Storage of raw materials and products must not obstruct work or open passages.
- Where hazardous substances are used, relevant supervision, controls and emergency plans should be provided. Employees must be informed of the

¹ Production Safety Law of the People’s Republic of China (2021 Amendment), Article 24.

relevant emergency measures.

- Hazardous substances should be stored in a separate area to the production site.
- Washing facilities should be provided in areas where acids or other corrosive substances are used.

Hygiene and factory environment

- The work site should be kept clean and neat.
- Workers must have access to clean drinking water.
- Toilet facilities must be provided near the work site and must be segregated by sex.
- Female sanitation rooms should be provided near the work site with warm running water and washing tub.
- The work site should be provided with hand-washing facilities if needed, with soap available.
- Number of toilets:²
 - o Men's: If there are less than 100 male workers, the factory should provide one toilet for every 25 workers. If more than 100 male workers, the factory must provide an additional toilet for every 50 workers. There should also be the same number of urinals as toilets.
 - o Women's: If there are less than 100 female workers, the factory should provide one to two toilets for every 15 workers. If more than 100 female workers, the factory should provide an additional toilet for every 30 workers.

Accommodation

- Each worker must have sufficient living space, at least 4.0 square metres per worker.
- Dormitories and toilet facilities must be segregated by sex.
- Workers must have access to clean, running drinking water in dormitories.
- Dormitories must not be located above production or warehouse areas.

- Dormitories must be a safe distance from areas where hazardous chemicals are used or stored. Fire regulations specify that:
 - o there must be enough exits to allow people to leave in an emergency (i.e. two fire exits from each floor)
 - o exits must be marked, unlocked and clear of obstructions.

4. Age of workers

- The minimum working age is 16 throughout China.
- If a child under the age of 16 is found to be employed, the employer must return the child to their parent or guardian and bear all associated costs.
- Young workers (between the ages of 16 and 18) must:
 - o be registered with the local labour department
 - o not do hazardous work, toxic and harmful work, heavy physical work and taboo work
 - o have regular physical examinations.

5. Wages and benefits

- The minimum monthly wage varies between region, municipality and is revised at least once per every two years. The correct level for any business can be obtained from the local labour department.
- The statutory minimum wage in China refers to the minimum pay for standard working hours (8 hours per day, 40 hours per week). Whether employees must receive the minimum wage after deductions (such as social insurance contributions) depends on local government regulations. However, best practice is that employees should receive at least the minimum wage after all mandatory deductions.

² Industrial enterprise hygiene design standards (GBZ 1-2010).

- According to guidance from local labour authorities, the minimum wage does not include overtime pay, shift differentials, housing and meal allowances, allowances for special working environments or conditions, or other benefits mandated by laws and regulations.

Overtime Premiums

- Weekday Overtime: Work performed beyond 8 hours on a regular working day must be compensated at 150% of the employee's regular hourly wage.
- Rest Day Work: If an employee works on a scheduled rest day (typically after working 5 consecutive days), they must be paid at 200% of their regular hourly wage.
- Statutory Holiday Work: Work performed on official public holidays must be compensated at 300% of the regular hourly wage.
- Basis of Calculation: Overtime pay must be calculated based on the wage specified in each employee's labour contract.
- Piece-Rate Workers: Employees paid by the piece must also receive overtime compensation at the above rates for work performed outside standard working hours.

Social Security benefits

- Social security payments vary by region, municipality and type of enterprise.
- Within 30 days of commencement of employment, workers must be given insurance cover for the following:
 - o Injury/death (covering all costs relating to injury at work)
 - o Pension
 - o Medical/health
 - o Unemployment
 - o Maternity (covering all related medical charges).
- Insurance is funded by employer and

employee contributions. The level of contributions is set by the local labour bureau.

Deductions

- Deductions can only be made if economic loss to the factory can be proven.
- Deductions must not exceed 20% of the monthly wage.³
- The remainder of the wage after deductions must be at least the minimum wage.

Payslips/contracts

- Workers must have written contracts that specify their wage amount.
- Employment contracts must set out details of compensation payable to workers upon termination of the contract (normally, one month of wages per year of employment).
- Workers must receive payslips listing hours worked, wages, deductions, etc. Wages must be paid at least once a month.

6. Working hours

- Standard hours per day = 8 hours.
- Standard hours per week = 40 hours.

Overtime

- Workers may work a maximum of 3 hours overtime on any one day and 36 hours per month. Overtime premiums: see section 5.
- Women who are seven or more months pregnant or breastfeeding must not work overtime or at night.

Time off

- Workers are entitled to an average of two days off per week. Any work performed on these rest days must be compensated as overtime.
- Workers must have at least 11 days

3 Interim Provisions on the payment of wages, December 6, 1994. Article 16.

statutory holiday per year.

1. one-day holiday for New Year (January 1st);
 2. three-day holiday for Spring Festival (first, second and third days of the first month of the lunar year);
 3. one-day holiday for the Tomb-sweeping Festival (lunar Tomb-sweeping Day);
 4. one-day holiday for Labour Day (May 1st);
 5. one-day holiday for the Dragon Boat Festival (Dragon Boat Day in the lunar year);
 6. one-day holiday for the Mid-Autumn Festival (Mid-Autumn Day in the lunar year); and
 7. three-day holiday for National Day (October 1st, 2nd, 3rd).
- Maternity leave: 98 days paid leave includes 15 days before, with 15 additional days for difficult labour or twins. The extra incentive/extended maternity leave may vary depends on local regulation.
 - After giving birth, women are entitled to one paid working hour per day for baby feeding until the baby is aged 12 months.
 - Workers' entitlement to additional paid leave is set out in local regulations. These cover:
 - o Annual leave: Where an employee has served one full year but less than 10 years accumulatively, he/she is entitled to five days of annual leave. If he/she has served 10 full years but less than 20 years, annual leave is 10 days. If he/she has served for 20 full years, annual leave is 15 days. Statutory holidays and rest days shall not be included in the annual leave.
 - o The sick leave is dependant on the length of service, between 3 and 24 months. Time during prescribed medical treatment and recuperation period must be paid at not less than 80% of the local minimum wage (unless over-ridden by local law which may prescribe a different level of pay).

This applies even if the illness or injury is non-work-related.

- Other paid leave, provisions vary between localities but in general:
 - o Marriage leave: 1-3 days. Some provinces may have extended marriage leave.
 - o Conjugal leave: 30 days annually (if spouses living separately).
 - o Parental leave: 20 days every 4 years (for couples with parents in another province).
 - o Filial leave: 20 days per year or 45 days every 2 years (for single workers whose parents live in another province).
 - o Bereavement leave: 1-3 days.
- Workers are entitled to normal pay when taking this leave above.

7. Discrimination

- There must be no discrimination at work on the grounds of sex, ethnic origin, race or religious belief.
- Females shall benefit from equal rights within the workplace.
- Contracts of employment cannot be terminated due to pregnancy.
- Women have the right to return to their jobs after maternity leave.
- Measures should be taken to prevent and stop sexual harassment to women.

8. Contract of employment

- Contracts can be fixed term, open-ended, or for the duration of a particular task. Workers should only have two fixed term contracts consecutively with an employer and then an open-term contract should be applied should the employment be renewed, or the workers have already served the employer continuously for 10 years.
- All workers must have written contracts within one month of the

commencement date of employment and a copy should be provided to the employee.

- The contracts should specify length of contract, job, location, working conditions, wages and disciplinary procedures.
- Penalties for non-compliances are in place.
- Severance payment should be made to employees upon termination of the employment.
- Contracts cannot be terminated due to loss of ability to work due to occupational diseases or injuries suffered at work or where worker has a possible occupational disease and has not had pre-departure medical to determine whether he/she is suffering from a disease. Contracts cannot be terminated where worker has given at least 15 years continuous service and is less than 5 years from statutory retirement age, or other prescriptive situations by law, e.g. female employees in the pregnancy, confinement and lactation periods.

9. Disciplinary

- Corporal punishment, humiliation, and physical abuse of employees are strictly prohibited by law.
- Factory rules must be developed in accordance with the law, and employers are required to consult with employees or their representatives and ensure these rules are clearly communicated.

10. Supply Chain management

- The main production site must ensure that any subcontracting units have suitable conditions for safe production.
- A special agreement with the contractor or leaseholder must be entered into, specifying the duties and functions of each party in the administration of production safety.

11. Environmental management

- All entities must protect the environment and comply with national and local laws regarding environmental quality and the discharge of pollutants.
- Enterprise that cause environmental pollution and other public hazards must establish a system for environmental protection and adopt effective measures to prevent and control pollution and harm to the environment.
- The production, storage, and transportation of toxic chemicals must comply with relevant regulations to prevent environmental pollution.
- Enterprises which discharge pollutants in excess of legal standards must pay a fine and take responsibility for eliminating and controlling the pollution.
- If an enterprise or individual causes a serious environmental pollution accident which results in heavy loss of property or human injuries or deaths, the person responsible will be investigated for criminal responsibility.

Appendix

Laws used for reference

Key legislation

- PRC Labour Law (2018 Amendment).
- PRC Labour Contract Law (2012 Amendment).
- PRC Production Safety Law (2021 Amendment).
- PRC Environmental Protection Law (2014 Amendment).
- PRC Trade Union Law (2021 Amendment).
- PRC Social Insurance Law (2018 Amendment).

Age of workers

- PRC Labour Law (2018 Amendment), articles 15, 58, 64 and 65.
- Regulations for the Special Protection of Juvenile Employees (1994), articles 3, 6 and 9.
- Provisions on the Prohibition of Using Child Labour (2002), articles 2, 4, 6 and 10.

Forced labour

- PRC Constitution (2018 Amendment), article 37.
- PRC Labour Law (2018 Amendment), article 96.
- PRC Labour Contract Law (2012 Amendment), articles 9, 31 and 37.

Working hours

- PRC Labour Law (2018 Amendment), articles 38, 39, 40, 41, 45, 61 and 63.
- Regulations of the State Council Governing Working Hours for Employees (1995), article 3.
- Special Rules on the Labour Protection of Female Employees (2012), articles 7 (maternity leave) and 9.
- National Measures for Annual and Commemorative Holidays (2014), article 2.

- Regulation on Paid Annual Leave for Employees (2007), article 3.
- Opinions on Matters in Implementation of PRC Labour Law (1995), article 59.

Wages

- PRC Labour Law (2018 Amendment), articles 44, 48, 50, 72 and 73.
- PRC Social Insurance Law (2018 Amendment), articles 10, 23, 33, 44, 53 and 58.
- Provisions on Minimum Wages (2004), articles 3 and 12.
- Interim Provisions on the payment of wages (1994), articles 6, 7, 11, 13, 15 and 16.

Hygiene

- Hygienic Standards for the Design of Industrial Enterprises (GBZ 1-2010), articles 6.1.7, 7.2.4, 7.3.4, 7.4.2, 8.1.2 and 8.3.

Accommodation

- PRC Production Safety Law (2009 Amendment), article 39.
- PRC Fire Protection Law (2021 Amendment), article 15.
- Code for design of dormitory building JGJ36-2016, articles 4.2, and 4.3.1.
- Code for Fire Protection Design of Buildings GB 50016-2018 Amendment, articles 3.3.5, 3.3.9, 5.5.8 and 5.5.25

Discrimination

- PRC Labour Law (2018 Amendment), articles 12, 13, 29(3) and 46.
- PRC Protection of Women Right Law (2022 Amendment), articles 23, 25, 43, 44 and 48.
- Regulations for the Special Labour Protection of Female staff and workers (2012), article 5.

Contract of employment

- PRC Labour Law (2018 Amendment), articles 16 and 19.
- PRC Labour Contract Law (2012 Amendment), articles 10, 16, 17, 18, 37, 38, 39, 46 and 47.

Representation

- PRC Labour Law (2018 Amendment), article 7.
- PRC Trade Union Law (2021), articles 3, 6, 10, 11, 13, 21, 36, 37, 39 and 43.

Disciplinary

- PRC Labour Law (2018 Amendment), articles 50 and 96.
- PRC Labour Contract Law (2012 Amendment), article 4.

Deposits

- PRC Labour Contract Law (2012 Amendment), article 9.

Health and Safety

- PRC Production Safety Law (2021 Amendment).
- PRC Fire Protection Law (2021 Amendment).
- PRC Law of Prevention and Control of Occupational Diseases (2018 Amendment).
- PRC Labour Law (2018 Amendment), articles 52, 53, 54, and 55.
- Special Rules on the Labour Protection of Female Employees, article 4 (2012).
- Regulations on the Safety Management of Dangerous Chemicals (2011).
- PRC Food Safety Law, article 26 (2021 Amendment).
- Hygienic Standards for the Design of Industrial Enterprises (GBZ 1-2010).
- Code of Design on Building Fire Protection and Prevention (GB50016-2018 Amendment).
- Code for Design of Extinguisher Distribution in Buildings (GB50140-2005).
- Provisions on Safety Training for Production and Business Entities (2015).

- Regulations on Safety Supervision of Special Appliance (2009).
- National safety technical code for electric equipment (GB19517-2009).
- Provision on Administration of Monitoring for the Operator of Special Appliances (2015 Amendment).
- Technical Standards on Fire Emergency Lighting and Evacuation Indicating Systems (GB51309-2018).
- General Rules for Fire Safety Management of Storage Occupancies (2014).

Environmental management

- PRC Environmental Protection Law (2014 Amendment).
- PRC Law on Environmental Impact Assessment (2018 Amendment).
- PRC Law on Water Pollution Prevention and Control (2017 Amendment).
- PRC Law on the Prevention and Control of Atmospheric Pollution (2018 Amendment).
- PRC Law on Prevention and Treatment of Environmental Pollution Caused by Solid Waste (2020 Amendment).

Sources of laws include:

- All China Federation of Trade Unions: www.acftu.org.cn/labourlaw.htm
- Law Info China: www.lawinfochina.com
- Ministry of Human Resources and Social Security, PRC: www.mohrss.gov.cn
- Ministry of Emergency Management, PRC: www.mem.gov.cn
- National standard full text disclosure system: <https://openstd.samr.gov.cn/bzgk/gb/ind>
- Ministry of Ecology and Environment, PRC: www.mee.gov.cn

Contacts

Tony Bevan

Sustainability Director

tony.bevan@kingfisher.com

Samuel Shum

Head of Responsible Sourcing (Far East)

+852 3913 9000

samuel.shum@kingfishersourcing.com

Kingfisher Asia Ltd

2/F, KOHO, 73-75 Hung To Road

Kwun Tong, Kowloon, Hong Kong

Frank Xie

Responsible Sourcing Manager

+86 755 3336 0700

frank.xie@kingfishersourcing.com

Kingfisher (Shanghai) Sourcing

Consultancy Co., Ltd.

Shenzhen Branch

2/F, B&Q office, No. 255, Block 3,

Shahe Road East, Shenzhen

518055 P.R. China

Disclaimer

This document has been compiled using laws from publicly available sources. Every effort has been made to ensure that all relevant laws and regulations have been included, however we cannot guarantee that the information is exhaustive. The document is intended for guidance only and we accept no responsibility should any liability arise from reliance on the information within the document.



Kingfisher plc
1 Paddington Square, London W2 1GG
Telephone: +44 (0)20 7372 8008
www.kingfisher.com



castorama



SCREWFIX

